

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

IN RE: . Chapter 11
. Case No. 23-10831 (MFW)
LORDSTOWN MOTORS CORP., .
et al., . (Jointly Administered)
. .
. 824 Market Street
Debtors. . Wilmington, Delaware 19801
. .
. Tuesday, November 21, 2023
. 11:30 a.m.

TRANSCRIPT OF ZOOM HEARING
BEFORE THE HONORABLE MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES:

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INDEXMOTIONS:PAGE

Agenda

Item 2: Debtors' Motion for Entry of an Order (I) 3
Approving (A) Procedures for the Sale or Other
Disposition of Miscellaneous Assets and (B) the
Sale or Other Disposition of Miscellaneous
Assets Free and Clear of Liens, Claims,
Interests, and Encumbrances in Accordance with
Such Procedures, and (III) Granting Related
Relief [Docket No. 650 - filed October 31, 2023]

Court's Ruling

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Transcription's certificate

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1 (Proceedings commenced at 11:30 a.m.)

2 THE COURT: Good morning. This is Judge Walrath.
3 We're here in the Lordstown Motors case. I will turn it over
4 to counsel for the debtor to get us started.

5 MS. PATTERSON: Thank you very much, Your Honor.
6 Good morning, Morgan Patterson of Womble Bond Dickinson on
7 behalf of the debtor. Can you hear me all right, Your Honor?

8 THE COURT: I can.

9 MS. PATTERSON: Okay, great. We appreciate your
10 time this morning, Your Honor. We're working off of the
11 second amended agenda filed yesterday at Docket 718. We have
12 just one matter that remains on for today and that is Agenda
13 Item Number 2, our miscellaneous asset sale motion.

14 If it's okay with Your Honor, I'll just jump right
15 into that motion?

16 THE COURT: Okay.

17 MS. PATTERSON: By this motion, Your Honor, the
18 debtors seek to streamline the process by which we can
19 liquidate the remaining assets in the asset. We also hope to
20 use this motion to reduce the cost to the estate for
21 liquidating those remaining assets.

22 As set forth in the motion, Your Honor, the assets
23 include several vehicles, trailers, as well as office
24 furniture, laptops, computer equipment, and the like. These
25 assets remained in the estate after the sale that Your Honor

1 approved last month to LandX. That included a majority of
2 the assets, so this is just the remainder that we're seeking
3 to liquidate.

4 The debtors worked with the equity and the
5 creditors committee to propose the value buckets and the sale
6 process that you see in the motion, that includes that the
7 debtors will consult with both committees for any sale under
8 350,000, but without further notice or hearing, and we will
9 file and serve a sale notice for asset sales between 350 to
10 500,000, and anything over 500,000 the debtors will continue
11 to file a customary sale motion.

12 We received no formal objections to the motion,
13 but we did receive some informal comments from the U.S.
14 Trustee, the SEC, and also the Ohio plaintiffs. Each of
15 those was resolved, Your Honor, in the revised order that we
16 filed under certification of counsel.

17 The U.S. Trustee just asked, Your Honor, that we
18 add email addresses to the sale notice, which we did, and the
19 SEC and the Ohio plaintiffs asked that we add language
20 regarding records retention, and you'll see that in new
21 paragraph 14 of the revised order.

22 Your Honor, the debtors believed that we already
23 had an obligation to do that under the original sale order,
24 but we were, you know, certainly happy to add that language
25 in here as well.

1 So Your Honor's chambers indicated that you had
2 some questions on the motion, so I'm certainly happy to
3 address those.

4 THE COURT: Yes, my practice is that -- or my
5 belief is that you need an order for any sale of property
6 outside of the ordinary course of business under 363,
7 especially free and clear of any liens and interests. So I
8 think you need to give notice and file a certification of
9 counsel or CNO if you seek to sell assets even under 350,000.

10 So, if you just expand the requirements for that
11 middle bucket to include from dollar one, I would approve it.

12 MS. PATTERSON: Okay. Thank you very much, Your
13 Honor. And you would -- just to clarify, you would also like
14 us to have an order that would be attached to that COC, a
15 form order as well?

16 THE COURT: Exactly, yes.

17 MS. PATTERSON: Absolutely, okay. That's no
18 problem, Your Honor, we're happy to do that. I will make
19 those changes and submit it under COC, if that's okay.

20 THE COURT: That's fine, and I'll enter the order
21 once the changes are made.

22 MS. PATTERSON: Great. Thank you so much, Your
23 Honor. That's all we have for today.

24 THE COURT: All right. Thank you, Ms. Patterson.
25 We can stand adjourned then.

1 MS. PATTERSON: Thank you. Have a good
2 Thanksgiving.

3 THE COURT: You too.

4 (Proceedings concluded at 11:34 a.m.)
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CERTIFICATION

I certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter to the best of my knowledge and ability.

/s/ Tracey J. Williams

November 28, 2023

Tracey J. Williams, CET-914

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